

**From:** Richard Albores/DC/USEPA/US  
**Sent:** 3/20/2012 1:59:32 PM  
**To:** Dan Drazan/DC/USEPA/US@EPA  
**CC:**  
**Subject:** Fw: FYI - In BNA Today: Democrats Describe Oil, Gas Violations, Say Fines Apparently Mere 'Pin Pricks'

Yes, I had seen this... Sorry I didn't forward it to you at the time.

Rich

~~~~~

**RICHARD L. ALBORES**

Enforcement Attorney \* Office of Enforcement and Compliance Assurance \* U.S. EPA \* 1200 Pennsylvania Avenue, NW  
(Mail Stop 2248A) Washington, DC 20460 \* email: albores.richard@epa.gov \* phone: 202.564.7102

HELP ELIMINATE ENVIRONMENTAL VIOLATIONS - report tips and complaints at: <http://www.epa.gov/tips>

**Confidential:** This transmission may contain deliberative, attorney-client, attorney work product or otherwise privileged material. Do not release under the Freedom of Information Act without appropriate review. If this message has been received by you in error, you are instructed to delete this message from your machine and all storage media whether electronic or hard copy.

----- Forwarded by Richard Albores/DC/USEPA/US on 03/20/2012 01:58 PM -----

**From:** Richard Albores/DC/USEPA/US  
**To:** Andrew Stewart/DC/USEPA/US@EPA, Bernadette Rappold/DC/USEPA/US@EPA, Caroline Hermann/DC/USEPA/US@EPA, Danielle Fidler/DC/USEPA/US@EPA, James Kenney/DC/USEPA/US@EPA, Jeanne Duross/DC/USEPA/US@EPA, Laura Gentile/DC/USEPA/US@EPA, Sanda Howland/DC/USEPA/US@EPA, Shannon Griffo/DC/USEPA/US@EPA, Tim Sullivan/DC/USEPA/US@EPA  
**Cc:** Dan Chadwick/DC/USEPA/US@EPA, Mamie Miller/DC/USEPA/US@EPA, Marcia Mia/DC/USEPA/US@EPA, Robert Lischinsky/DC/USEPA/US@EPA, Caroline Ahearn/DC/USEPA/US@EPA, Reiniero Rivera/DC/USEPA/US@EPA, Loan Nguyen/DC/USEPA/US@EPA, Lynne Davies/DC/USEPA/US@EPA, Anne Berube/DC/USEPA/US@EPA, Deniz Ergener/DC/USEPA/US@EPA, Rebekah Reynolds/DC/USEPA/US@EPA, Suzi Ruhl/DC/USEPA/US@EPA, Arati Tripathi/DC/USEPA/US@EPA, Kent Benjamin/DC/USEPA/US@EPA, Alan Morrissey/DC/USEPA/US@EPA, Clarke Thurmon/DC/USEPA/US@EPA, David Drelich/DC/USEPA/US@EPA, Ginny Phillips/DC/USEPA/US@EPA, Loren Denton/DC/USEPA/US@EPA, Patrick Foley/DC/USEPA/US@EPA, Teresa Dykes/DC/USEPA/US@EPA, Gregory Fried/DC/USEPA/US@EPA, James Morgan/DC/USEPA/US@EPA, Mike Fisher/DC/USEPA/US@EPA, Stacey Noem/DC/USEPA/US@EPA, Catherine Lavender/DC/USEPA/US@EPA, Mindy Kairis/DC/USEPA/US@EPA, Carrie Wehling/DC/USEPA/US@EPA, John Michaud/DC/USEPA/US@EPA, Erik Swenson/DC/USEPA/US@EPA, Amy Branning/DC/USEPA/US@EPA, Brian Grant/DC/USEPA/US@EPA, Elliott Zenick/DC/USEPA/US@EPA, James Bove/DC/USEPA/US@EPA, Jennifer Wills/DC/USEPA/US@EPA, Jessica Hall/DC/USEPA/US@EPA, Kristi Smith/DC/USEPA/US@EPA, Mary Andrews/DC/USEPA/US@EPA, Paul Bangser/DC/USEPA/US@EPA, Pooja Parikh/DC/USEPA/US@EPA, Richard Witt/DC/USEPA/US@EPA, Simma Kupchan/DC/USEPA/US@EPA, Tom Marshall/DC/USEPA/US@EPA, Aditi Prabhu/DC/USEPA/US@EPA, Marna McDermott/DC/USEPA/US@EPA, Jeanne Briskin/DC/USEPA/US@EPA, Susan Burden/DC/USEPA/US@EPA, Diana Saenz/DC/USEPA/US@EPA, Ann Stephanos/DC/USEPA/US@EPA, Dan Drazan/DC/USEPA/US@EPA  
**Date:** 02/10/2012 10:26 AM  
**Subject:** FYI - In BNA Today: Democrats Describe Oil, Gas Violations, Say Fines Apparently Mere 'Pin Pricks'

## **Democrats Describe Oil, Gas Violations, Say Fines Apparently Mere 'Pin Pricks'**

### **Interior Department Oversight of Oil and Gas Operations**

**Key Findings:** The Interior Department issued 2,025 notices of safety and drilling violations for work on federal lands over a three-year period but collected less than \$300,000 in fines, according to House Democrats.

**Potential Impact:** The report could lead to larger, more consistent application of fines for companies.

By Alan Kovski

The Interior Department issued 2,025 notices of safety and drilling violations to oil and gas companies working on federal lands from February 1998 to February 2011, but the department collected less than \$300,000 in fines, according to a report from the Democratic Party staff of the House Natural Resources Committee.

The report, Drilling Dysfunction, released Feb. 8, was accompanied by a request from two Democrats that Interior reform and enhance its oversight of drilling on federal lands and apply fines in a more consistent manner.

"It would be an overstatement to even call these fines a slap on the wrist," Rep. Ed Markey (D-Mass.) said in a statement released with the report. "For oil and gas companies making billions from drilling on America's public lands, this kind of inadequate oversight and enforcement is little more than a pin prick."

Markey is the ranking Democrat on the Natural Resources Committee. The report was prepared at the direction of Markey and Rep. Rush Holt (D-N.J.), ranking Democrat of the committee's Subcommittee on Energy and Mineral Resources.

"Can anyone seriously argue that these fines are sufficient to deter wrongdoing or that they reflect the very real risks that drilling poses to the environment and public health?" Holt asked.

#### Variety of Violations Detailed

The violations were committed by 335 companies operating in 17 states. Monetary fines were levied on just 64 of the 335 companies.

There were only two violations that incurred \$20,000 penalties, and both were because the companies drilled without first getting an approved permit from Interior's Bureau of Land Management.

The report cited other problems such as mechanical flaws in blowout preventers, deficiencies in well casing and cementing, inoperable backup power systems, inadequate safety testing, inadequate recordkeeping, inadequate signs and fencing at the drill site, and improper disposal of trash.

The report said there appeared to be no consistency in the application of fines. The issuance of a fine or amount of the fine was not correlated to companies that were frequent violators, the report said.

The report touched on hydraulic fracturing repeatedly, devoting more than five of the report's 31 pages to the subject, but only one violation was cited as being connected to that technique. That one case involved fracturing at an incorrect level within the well.

Hydraulic fracturing, or fracking, involves the high-pressure injection of water, sand and chemical additives into a well to expedite oil or natural gas extraction.

~~~~~

RICHARD L. ALBORES

Enforcement Attorney \* Office of Enforcement and Compliance Assurance \* U.S. EPA \* 1200 Pennsylvania Avenue, NW  
(Mail Stop 2248A) Washington, DC 20460 \* email: [albores.richard@epa.gov](mailto:albores.richard@epa.gov) \* phone: 202.564.7102

HELP ELIMINATE ENVIRONMENTAL VIOLATIONS - report tips and complaints at: <http://www.epa.gov/tips>

---

Confidential: This transmission may contain deliberative, attorney-client, attorney work product or otherwise privileged material. Do not release under the Freedom of Information Act without appropriate review. If this message has been received by you in error, you are instructed to delete this message from your machine and all storage media whether electronic or hard copy.